

April 8, 2003

The Honorable Kent Conrad United States Senate Washington, DC 20510

Dear Senator Conrad:

On behalf of the National Rural Health Association (NRHA), I am writing to express our strong support for the Health Care Access and Rural Equity Act (H-CARE). This legislation is a strong step toward bringing access, quality, and equity to the rural health care system.

As you well know, rural is not a just a smaller version of urban. The rural health care system faces unique challenges in the delivery of quality care. Despite these unique obstacles, Medicare reimbursement rates continue to discriminate against rural providers based solely on where they are located. This fundamentally-flawed system has created a financial crisis that is threatening the safety and health of millions of rural residents.

H-CARE represents a long-needed effort to bring equity to Medicare reimbursements. By permanently equalizing the standardized payment amount and removing the cap on Disproportionate Share (DSH) payments, rural hospitals will finally be put on a level playing field with their urban counterparts. The NRHA especially appreciates your efforts to reauthorize the Rural Hospital Flexibility Program and provide important improvements to the Critical Access Hospital program. These provisions, and others in the H-CARE Act, are essential to the continued survival of the rural health care delivery system.

The NRHA recognizes your long-standing commitment to a strong rural health system. We appreciate your leadership on this issue and look forward to working with you on enactment of the Health Care Access and Equity Act.

Sincerely,

Wayne Myers, MD

President